

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

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**UNITED STATES SECURITIES  
AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**EQUITYBUILD, INC., EQUITYBUILD  
FINANCE, LLC, JEROME H. COHEN,  
and SHAUN D. COHEN,**

**Defendants.**

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**Civil Action No. 18-cv-5587**

**Hon. John Z. Lee**

**Magistrate Judge Young B. Kim**

**RECEIVER’S MOTION FOR COURT APPROVAL  
OF THE RETENTION OF ADDITIONAL COUNSEL**

Kevin B. Duff, as the receiver (“Receiver”) for the Estate of Defendants EquityBuild, Inc., EquityBuild Finance, LLC, their affiliates, and the affiliate entities of Defendants Jerome Cohen and Shaun Cohen (collectively, the “Receivership Defendants”), and pursuant to the powers vested in him by the Order of this Court entered on August 17, 2018, intends to retain Spellmire Bruck, LLP and Roeder Law Offices LLC (“Additional Counsel”) to perform certain legal work including investigation, advice, counsel, and representation in connection with claims the Receiver may bring on behalf of the Receivership Estate or one or more entities within the Receivership Estate. The Receiver respectfully moves this Court for an order approving the retention of the Additional Counsel. In support of his Motion, the Receiver states as follows:

1. Pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934, the Securities and Exchange Commission sought and obtained the appointment of the Receiver. Under the order appointing the Receiver, the Receiver has authority in equity, as well as under 28

U.S.C. §§ 754, 959, and 1692, and Fed. R. Civ. P. 66, and was given broad powers to investigate and safeguard the assets of Receivership Defendants. Among other powers, the Receiver may choose, engage, and employ attorneys as the Receiver deems advisable or necessary in the performance of the Receiver's duties and responsibilities under the authority granted by the Order Appointing Receiver. (*See* Order Appointing Receiver, Docket No. 16, ¶ 54) The Receiver also is authorized to solicit persons and entities to assist him in carrying out the duties and responsibilities described in the Order Appointing Receiver. (*Id.* ¶ 68) The Order also provides that the Receiver shall not engage any Retained Personnel without first obtaining an order of the Court authorizing such engagement. (*Id.*)

2. The Receiver has determined that there is in fact a substantial need to retain the Additional Counsel to perform the following services, namely to perform certain legal work including investigation, advice, counsel, and representation in connection with claims the Receiver may bring on behalf of the Receivership Estate or one or more entities within the Receivership Estate.

3. The Additional Counsel will assist the Receiver and provide advice, counsel, and representation in connection with potential claims that the Receiver may bring on behalf of the Receivership Estate or one or more entities within the Receivership Estate. The potential claims are not against claimants who are institutional or investor lender claimants in this matter.

4. The Additional Counsel will work in this capacity on behalf of the Receiver, Kevin B. Duff.

5. The Additional Counsel have represented that they do not have a conflict of interest and do not hold or represent an interest materially adverse to the interests of the Receivership Estate.

6. The Order Appointing Receiver provides that the Receiver and Retained Personnel are entitled to reasonable compensation and expense reimbursement from the Receivership Estate and that such compensation shall require the prior approval of the Court. (*Id.* ¶ 69) The Additional Counsel will seek compensation from the Receivership Estate solely on a contingency basis and only subject to review of the SEC and approval of the Court prior to any payment of compensation. Similarly, the Receiver and/or his existing counsel will also participate in the litigation of such claims, and any time and expenses incurred regarding the potential claims that Additional Counsel will work on would also be compensated on a contingency basis and subject to review of the SEC and approval of the Court prior to any payment of compensation.

7. The SEC has no objection to the Motion.

WHEREFORE, the Receiver respectfully requests that this Court grant this Motion and enter the Order approving retention of Spellmire Bruck, LLP and Roeder Law Offices LLC on a contingency basis, and grant such other relief as the Court deems just and proper.

Dated: August 11, 2020

Kevin B. Duff, Receiver

By: /s/ Michael Rachlis

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# **EXHIBIT A**

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**ORDER APPROVING RECEIVER'S MOTION FOR  
RETENTION OF ADDITIONAL COUNSEL**

Kevin B. Duff, as the receiver ("Receiver") for Estate of Defendants EquityBuild, Inc., EquityBuild Finance, LLC, their affiliates, and the affiliate entities of Defendants Jerome Cohen and Shaun Cohen (collectively, the "Receivership Defendants"), having filed a Motion for Court Approval of the Retention of Additional Counsel, the Court having considered the Motion and for good cause shown,

IT IS HEREBY ORDERED THAT:

The Receiver's Motion is granted. The Court approves the Receiver's engagement of Spellmire Bruck, LLP and Roeder Law Offices LLC on a contingency basis, with any compensation due thereby being subject to SEC review and Court approval.

Entered:

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Honorable John Z. Lee

Date: \_\_\_\_\_